



THE CITY OF SAN DIEGO **MANAGER'S REPORT**

DATE ISSUED: November 15, 2000 REPORT NO. 00-229

ATTENTION: Honorable Mayor and City Council
Docket of November 20, 2000

SUBJECT: Fiscal Year 2001 Proposed San Diego Data Processing Corporation
Budget

SUMMARY:

Issue - Should the City Council approve the \$82,657,218 Fiscal Year 2001 Proposed San Diego Data Processing Corporation (SDDPC) Budget?

Manager's Recommendation - Approve the \$82,657,218 Fiscal Year 2001 Proposed SDDPC Budget.

Other Recommendations - None.

Fiscal Impact - The City of San Diego's Fiscal Year 2001 Budget includes \$500,000 in revenue from SDDPC in anticipation of revenues exceeding expenditures in that amount.

BACKGROUND

During the development of City agency budgets, City Manager staff works with City agencies in an effort to ensure that the budget requests are in conformance with various City policies. The review of the Fiscal Year 2001 SDDPC Proposed Budget was conducted by City staff with regard to proposed increases over Fiscal Year 2000 budgeted levels. Under terms of the City's Operating Agreement with SDDPC, the Corporation may incur expenses in excess of its approved budget dependent upon available revenues.

DISCUSSION

Revenue

The \$82,657,218 Fiscal Year 2001 proposed budget represents a 4.89% increase from the Fiscal

Year 2000 budget.

The following table exhibits a breakdown of revenue by customer category:

Customer	FY 2000 Budgeted Revenue (Final)	FY 2000 Budgeted Revenue (Actual)	FY 2001 Budgeted Revenue (Proposed)
City of San Diego			
General Fund	\$23,928,715	\$25,664,330	\$26,837,193
Non-General Fund	\$50,518,004	\$46,919,011	\$50,761,038
Non-City Customer	\$4,356,868	\$5,325,738	\$5,058,987
Total	\$78,803,587	\$77,909,079	\$82,657,218

Salaries and Benefits

The \$31,788,257 Fiscal Year 2001 proposed budget for salaries and benefits represents an 8.09% increase from the Fiscal Year 2000 budget. The increase includes staffing adjustments and a 4% merit and salary incentive adjustment. The budget includes workers compensation, unemployment insurance, pensions, and tuition and incentive awards.

The following table summarizes the position and salary schedule changes between Fiscal Years 2000 and 2001.

Summary of Position and Salary Schedule Changes							
Staff Classification	Staff Positions	Budgeted Positions			Budgeted Average Salaries		
		FY00	FY01	Change	FY00	FY01	Change
TIER I	Admin Asst I,II Accounting Clerk LAN Tech Asst GIS Technician Tech Supp Anal I Computer Oper Data Control Tech	50	45	(5)	33,549	31,698	(1,851)
TIER 2	Admin Asst III Network Anal I,II LAN Anal I GIS Anal I,II Help Desk Spec I Net Svc Tech I,II Senior Comp Oper	65	61	(4)	41,889	43,397	1,489

TIER 3	LAN Anal II Buyer II Sr Prgrmr Anal Prog Anal III Financial Anal II CADD Anal III Systems Prgrmr II DBA II Super Operations Net Svc Tech III	115	117	2	54,573	55,246	673
TIER 4	DBA III Netwrk Engr I Buyer III Exec Admin Cust Svc Super HR Rep II	15	18	3	62,484	66,572	4,087
TIER 5	LAN III Proj Mgr I Princ Anal I Princ Anal Cust Cons I Fin Principal P/A IV CADD Anal IV DBA IV Syst Prgrmr III Netwrk Engr II, III	94	97	3	66,050	69,749	3,699
TIER 6	Res Mgr I,II Cust Cons II GIS Anal V Prog Anal V Proj Mgr II DBA V Business Anal II System Prgrmr IV Network Engr IV Info Sec Officer	35	46	11	81,999	79,188	(2,812)
TIER 7	Cust Cons III Res Mgr II,III CFO Adm Mgr II VP/GM Sr Tech Specialist President/CEO	17	21	4	92,800	101,168	8,367
Total		391	405	14	56,953	59,919	2,966

Non-Personnel Expenses

The \$50,869,261 Fiscal Year 2001 proposed budget for non-personnel expenses represents a 2.98% increase from the Fiscal Year 2000 budget.

The following table exhibits the breakdown of Non-Personnel Expenses:

Non-Personnel Expense Breakdown			
Expense Category	Fiscal Year 2000 Budget	Fiscal Year 2001 Proposed	Increase/Decrease
Equipment and Software	\$6,867,783	\$7,334,184	\$466,041
Facility Expense	\$1,779,560	\$1,964,525	\$184,965
Professional Services	\$4,191,241	\$5,729,683	\$1,538,442
Voice and Data Network	\$7,848,823	\$5,711,152	(\$2,137,671)
Supplies	\$636,049	\$435,152	(\$200,897)
Other Expenses	\$1,781,113	\$1,686,187	(\$94,926)
Net Debt Payments	\$2,157,650	\$645,485	(\$1,512,165)
Capital Expenditures	\$5,100,000	\$5,027,000	(\$73,000)
Return of Budgetary Surplus	\$500,000	\$500,000	\$0
Other Balance Sheet Accts	(\$545,111)	\$485,335	\$1,030,446
Pass-Thru Expenses	\$19,079,108	\$21,350,558	\$2,271,450
Total	\$49,396,216	\$50,869,261	\$1,473,045

Capital Expenditures

The \$5,027,000 Fiscal Year 2001 capital expenditures proposed budget represents a 1.43% decrease from Fiscal Year 2000. Upgrades are planned for the data network, voice network, client-server technologies, and facilities.

CONCLUSION

The \$82,657,218 Fiscal Year 2001 Proposed San Diego Data Processing Corporation Budget is submitted for your review.

Respectfully submitted,

Ernie Anderson
Financial Management Director

Approved: Patricia T. Frazier
Deputy City Manager

PTF/kd